

# Major Findings from Washington's TANF Exit Surveys

## **Background**

Starting in March 1998, Washington State began tracking families leaving TANF through telephone surveys to find out how they were doing in employment, wages, childcare, and general family well being. As of June 1999, three TANF exit groups have been interviewed. This document shows the results of the three surveys. The most recent survey, funded by the U.S. Department of Health and Human Services, also included a comparison group of current TANF recipients who had received welfare continuously, for at least 6 months, as of April 1999. The comparison between the third exit group and the comparison group is shown in a separate document. The third survey was conducted between April and June of 1999, and had an overall response rate of 73% percent (72% for TANF exiters and 76% for current TANF recipients).<sup>1</sup>

To be consistent with the state's two previous exit surveys, this report *excludes* 136 (19%) TANF exiters from the third survey who returned to TANF (except for their reasons for returning to TANF) and 73 (14%) current recipients who left TANF by the time of the survey.<sup>2</sup>

One major difference between this third exit group and the previous two is that this most recent group had been off TANF longer at the time they were interviewed (between 6 to 8 months) than the previous two groups (between 1 to 3 months).

**Major Findings** (*shaded lines show whether differences between survey #2 and survey #3 are statistically significant. As a rule of thumb, if the differences are greater than 4 percentage points, the differences are statistically significant*).

- 62% left TANF due to increased earnings from employment.
  - 86% of the TANF exiters worked within the last 12 months, 70% were employed full time, and 64% were working at the time of the survey.
  - A large majority (88%) of the TANF exiters who worked earned above minimum wage.
  - More than half (59%) of the TANF exiters considered themselves better off since leaving welfare.
  - Rural exiters had similar employment rates, wages, and perceived family well being as urban exiters.
  - The proportion of exiters (both adults and children) without any medical coverage declined slightly.
  - EITC (Earned Income Tax Credit) use increased among TANF exiters.
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- Self-reported hourly wages and total family income declined somewhat for the 3<sup>rd</sup> exit group (average=\$7.85/hour, median=\$7.00/hour).
  - Self-reported food insecurity among the 3<sup>rd</sup> exit group was higher than the 2<sup>nd</sup> exit group.
  - Self-reported hunger was higher among TANF exiters than the current TANF recipients.
  - TANF exiters self-reported less health coverage or Medicaid than current recipients.
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- Of those who returned to TANF, 25% cited job loss and 13% cited marriage/partnership breakups as the most important reasons for return.
  - Compared to TANF exiters, those who remain on TANF have more barriers to employment.

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<sup>1</sup> Response rates for previous two exit surveys were 31% and 52% respectively.

<sup>2</sup> A similar report submitted to HHS uses a group definition for exiters and current recipients: the TANF exit group includes those who returned to TANF and the current recipient group includes those who left TANF by the time of the survey.

	<b>Survey #1 March 98' Exits (N=560)</b>	<b>Survey #2 August 98' Exits (N=592)</b>	<b>Survey #3 Oct. '98 Exits (N=572)</b>
• <b>Three most important reasons for leaving TANF</b>			
Increased income through earnings	58%	67%	62%
Left TANF due to conflict with DSHS requirements	12%	8%	10%
Increased income through other sources	10%	9%	8%
• <b>Five most important reasons for returning to TANF</b>			<b>N=136</b>
Laid off or fired			25%
Marriage/partnership break up			13%
Quit job for poor health reasons	n/a	n/a	12%
Earnings decrease due to loss of work hours			10%
Needed health care			6%
• <b>Employment characteristics</b>			
<b>Employed at the time of survey</b>	<b>68%</b>	<b>71%</b>	<b>64%</b> (difference between survey 2 & 3 is statistically significant)
Worked in the last 12 months	78%	87%	86%
Of those currently working:			
Making below minimum wage	3% below \$5.15	6% below \$5.15	4% below \$5.70
<b>Those who worked within the last 12 months:</b>	<b>N=436</b>	<b>N=511</b>	<b>N=494</b>
<b>Hourly wage (mean / median)</b>	<b>\$8.42 / \$7.40</b>	<b>\$8.09 / \$7.22</b>	<b>\$7.85 / \$7.00</b> (difference between survey 2 & 3 is <u>not</u> statistically significant)
Mean weeks worked last 12 months	29 weeks	34 weeks	35 weeks
Mean hours worked per week	34 hours	36 hours	37 hours
Working full time (>=35 hours/week)	64%	66%	70%
Working less than 20 hours/week	7%	7%	6%
Working primarily non-day schedule	35%	38%	36%
Employer provides paid sick leave	35%	30%	32%
Employer provides paid annual leave	44%	38%	35%
Employer provides retirement benefits	27%	26%	24%
Employer provides health benefits	37%	36%	39%

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<u>Occupational concentration</u>			
Admin.support/clerical/general office	17%	16%	16%
Retail and other sales	14%	18%	15%
Food & beverage services	9%	10%	14%
General labor/construction, equipment operation	14%	14%	14%
Health care (non-professional)	11%	8%	10%
Janitors/maids	5%	8%	6%
Agricultural/fishing worker	1%	2%	5%
Childcare worker	9%	7%	5%
<u>Top three reasons for not working</u>			<b>N=202</b>
Chose to stay home to care for child	n/a	n/a	24%
Health reasons			17%
Laid off			12%
<b>• Non-cash public/private resources in the last 6 months</b>			
Having any medical coverage (adult)	65%	68% <b>ACES</b>	69% <b>ACES</b>
Having any medical coverage (children)	80%	82% <b><u>Record</u><sup>3</sup></b>	85% <b><u>Record</u></b>
Medicaid (adult)	36%	44% (60%)	44% (54%)
Medicaid (children)	57%	64% (77%)	63% (66%)
Food stamps	42%	45% (48%)	41% (42%)
Unaware of possible Medicaid continuation when leaving TANF	n/a	n/a	23%
Received food stamps?	<u>Yes</u> <u>No</u>	<u>Yes</u> <u>No</u>	<u>Yes</u> <u>No</u>
Family cash income by food stamp status (mean)	\$1,199   \$1,622	\$1,116   \$1,614	\$1,069   \$1,445
Family cash income by food stamp status (median)	\$1,101   \$1,455	\$1,054   \$1,400	\$ 900   \$1,220
Free or reduced-priced school meals for children	n/a	n/a	49%
Food banks	22%	29%	31%
Housing assistance	17%	19%	19%
Energy assistance	11%	11%	14%

<sup>3</sup> Numbers in brackets show comparable information from administrative records: any Medicaid or food stamp coverage during the duration of the surveys.

	11% <b>Survey #1</b> <b>March 98' Exits</b>	12% <b>Survey #2</b> <b>August 98' Exits</b>	13% <b>Survey #3</b> <b>Oct. '98 Exits</b>
Help from charitable organizations			
	(N=560)	(N=592)	(N=572)
Free room/board from family or friends	14%	25%	14%
DSHS emergency assistance	2%	2%	3%
<b>• Using DSHS child care subsidies</b>			
All families	n/c <sup>4</sup>	n/c	23%
Working families	36%	38%	38%
<u>Top four reasons for not using DSHS child care subsidies</u>			
No need for DSHS subsidies (has free childcare)			39%
Too much hassle to apply			12%
DSHS said I am not eligible	n/c	n/c	12%
Didn't think I qualified			10%
<b>• Reported family insecurities in the last 6 months</b>			
No health insurance or Medicaid (adult)	35%	32%	31%
No health insurance or Medicaid (at least one child)	20%	18%	15%
<b>Experienced hunger (or all three below)</b>	<b>n/a</b>	<b>8%</b>	<b>13%</b> (difference between survey 2 & 3 is statistically significant)
Cutting meals sometimes or often	n/a	33%	43%
Skipping meals sometimes or often	n/a	16%	24%
Going without food at least one day	n/a	8%	14%
Not having a place to live at least once	8%	11%	8%
Experienced home eviction at least once	n/a	5%	6%
Utility was cut off at least once	n/a	11%	11%
Experienced family violence	3%	5%	8%
Childcare was terminated due to inability to pay	n/a	2%	3%
Child spent time with foster care at least once	1%	1%	2%

<sup>4</sup> Not comparable with the third exit survey.

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	<b>Mean / Median</b>	<b>Mean / Median</b>	<b>Mean / Median</b>
• <b>Total family cash income last month (including child support, excluding TANF grant)</b>	\$1,442 / \$1,256	\$1,388 / \$1,204	\$1,304 / \$1,100
• <b>Sources of last month's income</b>			
Earnings by self	n/c	72%	65%
Earnings by other worker(s) in family	n/c	24%	24%
Social security	n/c	4%	4%
Unemployment income	n/c	3%	4%
SSI	n/c	7%	4%
General Assistance	n/a	n/a	2%
Child support	n/c	33%	27%
Other unspecified income	n/a	4%	9%
\$0 income (except TANF grant for current clients)	6%	7%	8%
• <b>Families filing for EITC last year</b>	46%	40%	67%
• <b>TANF exiters' total family cash income as a percent of 1998 FPL for a family of three</b>	<b>Mean / Median</b> 132% / 115%	<b>Mean / Median</b> 127% / 110%	<b>Mean / Median</b> 119% / 101%
• <b>Perceived family well being</b>			
Better off	60%	54%	59%
About the same	22%	25%	19%
Worse off	18%	21%	21%

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• <b>Potential barriers to employment</b>			
Racial/ethnic minorities (non-white)	25%	27%	27%
Non-U.S. citizen	3%	5%	5%
Primary language is not English	4%	6%	7%
Average years of school completed	12 years	12 years	12 years
With less than high school/no GED	21%	23%	26%
With perceived disability limiting work	n/c	n/c	24%
With at least one other adult in family	48%	50%	53%
With at least one other worker in family	34%	36%	38%
Householder less than 20 years old	4%	6%	3%
Householder age 50 and over	3%	4%	3%
Average number of children	1.7	1.7	1.6
Age of youngest child (mean / median)	5.6 / 5 years	5.3 / 4 years	5.8 / 5 years
With child under 1 year old	10%	8%	8%
With special needs child/ren	n/c	n/c	17%
• <b>Self reported total months on welfare (mean / median)</b>			
	44 / 25	45 / 34	45 / 30